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10/756,090	01/13/2004	Derek M. Gledhill	49335.2100	3084
20322 7590 04/28/2009 SNELL & WILMER L.L.P. (Main) 400 EAST VAN BUREN ONE ARIZONA CENTER PHOENIX, AZ 85004-2202				
EXAMINER				
ALL HATTEM				
ART UNIT		PAPER NUMBER		
3692				
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/756,090

Applicant(s)

GLEDHILL ET AL.

Examiner

HATEM ALI

Art Unit

3692

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 30 March 2009.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-3,6-7,10-11,13-14, and 17-18 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-3,6-7,10-11,13-14, and 17-18 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 9/30/09 has been entered.

1. The following is **an office action** on merits in response to the communication received on **9/30/2008**.

Acknowledgement

2. **Clam** status:
 - Amended **claims 1-2, 7, 11, 13-14, and 17**
 - As such pending claims: **1-3, 6-7, 10-11, 13-14, and 17-18**.

Claim Rejections - 35 USC § 112

3. **Claims 1 and 11** are rejected under 35 U.S.C. 112, **first paragraph**, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. Specifically in claims 1 and 11, the recitations,

(para 3, lines 1-3), “transform using a computer, the ownership reallocation category into one of a plurality of tax treatment categories” are new matter and not found and described in specification in detail.

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. **Claims 1-3, 6-7, 10-11, 13-14, and 17-18** are rejected under 35 U.S.C. 103 (a) as being unpatentable over **Horan** et al (2003/0225663) in view of **DeWolf** et al (2002/0032626) , **Bergmann** et al (2002/0143682) and **official Notice**.

As per claim 1, **Horan** discloses a method of calculating cost basis of financial asset (para 0100, lines 11-13) comprising:

automatically, using a computer, (para 0101-0102) calculating an adjusted cost basis of the asset based upon at least one of: the asset, the reallocation at least one of: the asset, the reallocation of the ownership of the asset and the tax treatment categorization to enable tax-related calculations based upon the tax treatment categorization (para 0077 and 0099-0100; via workflow system 208 and accounting and management system 806 respectively);

storing, using the computer the adjusted cost basis in a management system (**Fig. 7, Data warehouse 312**).

acquiring, using the computer, cost basis data and tax lot data from the plurality of product systems to enable automated reconciliation of cost basis data and the adjusted cost basis; identifying at least a portion of the tax lot data that was affected by the reallocation (**para 0099**, lines 1-3; via record system **806** .. tax-lot accounting ...tax withholding and reclaim processing);

reconciling, using the computer, the cost basis data and the adjusted cost basis of the asset to the plurality of product systems (**para 010**, lines 1-12; via open reconciliation system **828** ... the workflow system **810** to resolve the variance); and

preparing a report, using the computer, relating to the adjusted cost basis of the asset based on at least one of: the ownership reallocation category, the tax treatment categorization and the adjusted cost basis of the asset (**para 0102**, lines 1-12; via an automated workflow system **810** ... a management reporting system **838**)

Horan fails to explicitly disclose the step of acquiring, using a computer, a reallocation of an ownership of the asset from a product system, wherein the asset is a financial asset, and wherein the product system is one of a plurality of product systems from which reallocation data is acquired, wherein the reallocation is categorized by the product system into an ownership reallocation category and the reallocation is triggered by at least one of: **a marriage**, an inheritance, a gift, a partial spin-off, a stock split with owner option, a partial sale of the asset, and a change to an accounting method for the sale of the asset.

However, **DeWolf** discloses the step of acquiring , using a computer, a reallocation of an ownership of the asset from a product system, wherein the asset is a financial asset, and wherein the product system is one of a plurality of product systems from which reallocation data is acquired, wherein the reallocation is categorized by the product system into an ownership reallocation category and the reallocation is triggered by at least one of: a marriage, an inheritance, a gift, a partial spin-off, a stock split with owner option, a partial sale of the asset, and a change to an accounting method for the sale of the asset (**Abstract** - life cycle of the asset and categorizing the information into multiple attribute and **para 0090**, line 5; via ownership disputed [changed] as **in divorce** [implied marriage] and **para 0035** , line 5-8; via the producer **110** [Ford] creates the asset such as **SUV**- a financial asset).

Therefore, it would have been obvious to an ordinary skill in the art at the time of invention was made to modify the disclosure and features mentioned by **Horan** and to include the disclosure of **DeWolf** to facilitate the legal system to adjust and reallocate the ownership of an asset disputed by divorce implied marriage.

Horan fails explicitly to disclose the step of transforming, using the computer, the ownership reallocation category into one of a plurality of tax treatment categories to establish a tax treatment categorization of the reallocation, wherein the reallocation was previously categorized by the product system into one of a plurality of categories.

However, **Bergmann** being in the same field of invention discloses the step of transforming, using the computer, the ownership reallocation category into one of a

plurality of tax treatment categories to establish a tax treatment categorization of the reallocation, wherein the reallocation was previously categorized by the product system into one of a plurality of categories (**para 0045**, line 27; via asset classes, creating accounts and Boxes **8A**, **8B**, **8C** and **9** categorize assets based on ownership and related tax treatment after change of ownership for tax treatment and to calculate after-tax returns)

Therefore, it was obvious to an ordinary skill in the art at the time of invention was made to modify the disclosure of *Horan* and to include the feature of *Bergman* to facilitate adjusting the constraint limits on asset classes.

Horan does not explicitly disclose the tax treatment categorization is based upon the ownership reallocation category and is associated with a tax treatment of the reallocation.

However, it is well known in the art at the time of invention was made that the tax treatment categorization is based upon the ownership reallocation category and is associated with a tax treatment of the reallocation. For example, when any asset's ownership is changed to a new owner, **tax treatment** of the said asset will be according to new owner as per Internal Revenue Services [**IRS, US Gov.**]. Therefore, tax treatment of an asset related to change of ownership (or categorization) is well known in the art.

As per claim 2, *Horan* discloses the method of codifying, using the computer, the tax treatment categorization of the Reallocation of the ownership of the asset prior to automatically calculating the cost basis change of the asset (**para 009-100**; via the

accounting and record system **806** through a multi-tier client/server technology inherently codifies the system).

As per claim 3, *Horan* discloses the method, wherein the product system is an account (**Fig.9**; via Open Platform-Products and account system).

Claims 4-5 (cancelled).

As per claim 6, *Horan* discloses the method further comprising:
providing a portfolio having a plurality of assets distributed in one or a plurality of product systems (**para 0050 and 0052**; via reallocate a portfolio).

As per claim 7, *Horan* discloses the method, wherein the reallocation of the asset is categorized by the reason for the reallocation to establish the ownership reallocation category (**para 0042**).

Claims 8-9 (cancelled).

As per claim 10, *Horan* discloses the method further comprising utilizing the tax lot data to, using the computer, more accurately determines cost basis change relating to the reallocation of the asset (**para 0100**; via tax lot basis).

As per claim 11, *Horan* discloses a computer-readable medium having stored thereon a plurality of instructions for a portfolio management system, the plurality of instructions (see **Abstract**) comprising:

Instructions to automatically (**para 0101-0102**) calculating an adjusted cost basis of the asset based upon at least one of: the asset, the reallocation at least one of: the asset, the reallocation of the ownership of the asset and the enhanced categorization

(para 0077 and 0099-0100; via workflow system 208 and accounting and management system 806 respectively);

Instructions to storing the adjusted cost basis in a management system (Fig. 7, Data warehouse 312).

Instructions to acquire cost basis data and tax lot data from the plurality of product systems to enable automated reconciliation of cost basis changes; identifying at least a portion of the tax lot data that was affected by the reallocation (para 0099, lines 1-3; via record system 806 .. tax-lot accounting ...tax withholding and reclaim processing);

Instructions to reconciling the cost basis changes of the asset to the plurality of product systems (para 010, lines 1-12; via open reconciliation system 828 ... the workflow system 810 to resolve the variance); and

Instructions to prepare a report relating to the cost basis change of the asset based on at least one of: the categorization of the change in the ownership of the asset, the tax treatment categorization and the adjusted cost basis of the asset (para 0102, lines 1-12; via an automated workflow system 810 ... a management reporting system 838)

Horan fails to explicitly disclose that instructions to acquire a reallocation of an ownership of the asset from a product system, wherein the asset is a financial asset, and wherein the product system is one of a plurality of product systems from which reallocation data is acquired, wherein the reallocation is categorized by the product system into an ownership reallocation category and the reallocation is triggered by at

least one of: **a marriage**, an inheritance, a gift, a partial spin-off, a stock split with owner option, a partial sale of the asset, and a change to an accounting method for the sale of the asset.

However, **DeWolf** discloses that instructions to acquire a reallocation of an ownership of the asset from a product system, wherein the asset is a financial asset, and wherein the product system is one of a plurality of product systems from which reallocation data is acquired, wherein the reallocation is categorized by the product system into an ownership reallocation category and the reallocation is triggered by at least one of: **a marriage**, an inheritance, a gift, a partial spin-off, a stock split with owner option, a partial sale of the asset, and a change to an accounting method for the sale of the asset (**Abstract** - life cycle of the asset and categorizing the information into multiple attribute and **para 0090**, line 5; via ownership disputed [changed] as **in divorce** [implied marriage and **para 0035** , line 5-8; via the producer **110** [Ford] creates the asset such as **SUV**- a financial asset).

Therefore, it would have been obvious to an ordinary skill in the art at the time of invention was made to modify the disclosure and features mentioned by **Horan** and to include the disclosure of **DeWolf** to facilitate the legal system to adjust and reallocate the ownership of an asset disputed by divorce implied marriage.

Horan fails explicitly to disclose that instruction to transform, using a computer the ownership reallocation category into one of a plurality of tax treatment categories and to establish a tax treatment categorization of the reallocation, wherein the

reallocation was previously categorized by the product system into one of a plurality of categories.

However, **Bergmann** being in the same field of invention discloses that instructions to transform using a computer the ownership reallocation category into one of a plurality of tax treatment categories and to establish a tax treatment categorization of the reallocation, wherein the reallocation was previously categorized by the product system into one of a plurality of categories (**para 0045**, line 27; via asset classes, creating accounts and Boxes **8A**, **8B**, **8C** and **9** categorize assets related to tax treatment after change of ownership and to calculate after-tax returns)

Therefore, it would have been obvious to an ordinary skill in the art at the time of invention was made to modify the disclosure of **Horan** and to include the feature of **Bergman** to facilitate adjusting the constraint limits on asset classes.

Horan does not explicitly disclose the tax treatment categorization is based upon the ownership reallocation category and is associated with a tax treatment of the reallocation.

However, it is well known in the art at the time of invention was made that the tax treatment categorization is based upon the ownership reallocation category and is associated with a tax treatment of the reallocation. For example, when any asset's ownership is changed to a new owner, **tax treatment** of the said asset will be according to new owner as per Internal Revenue Services [**IRS, US Gov.**]. Therefore, tax treatment of an asset related to ownership change(or categorization) is well known in the art.

Claim 12 (cancelled)

As per claims 13 -14, *Horan* discloses the compute-readable medium, wherein the tax treatment categorizing of the reallocation of the ownership of the asset into one of a plurality of categories based on the reason for the reallocation of the ownership of the asset (**para 0042** and **0060**; via recordkeeping system **1012** shareowner services **1006** on a wide range of levels and multi-asset class with portfolio accounting **engine 304**, inherent with reasons for reallocation of the ownership of the asset).

Claims 15-16 (cancelled)

As per the claim 17, *Horan* discloses the computer readable medium further comprising: instructions to analyze the reallocation, the ownership reallocation category categorization and tax treatment categorization prior to calculating the cost basis change of the asset (**para 0064**; via portfolio management system **206** includes tools to track positions, perform analytics etc.).

As per claim 18, *Horan* discloses the computer readable medium further comprising instructions to provide a portfolio having a plurality of assets distributed in the plurality of product systems (**para 0039**; via **Fig. 10**, the managed asset platform ... group asset level ...portfolio management system).

Response to Arguments

6. **Applicant's** arguments with respect to **claims 1-3, 6-7, 10-11, 13-14 and 17-18** have been considered but are moot in view of the new ground(s) of rejection.

Conclusion

7. Any inquiry concerning this communication or earlier communications from the examiner should be directed to HATEM ALI whose telephone number is (571)270-3021. The examiner can normally be reached on 8.00 to 6.00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kambiz Abdi can be reached on 571-272-6702. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Harish Dass
Primary Examiner

Hatem Ali
Examiner
Art Unit 3692

/Harish T Dass/
Primary Examiner, Art Unit 3692